

GERMAN KAISER BARELY ESCAPES CAPTURE BY RUSSIANS

MINE SINKS SECOND ITALIAN STEAMER

Forty Lives Toll of Mishap Due to Austrian Defence Precautions.

A PROTEST IS EXPECTED

Special Cable Despatch to The Sun.

Rome, October 3.

Another Italian steamer has been lost, this time with the lives of her crew of forty men, because of Austrian mines in the Adriatic. This steamer was bound from Trieste to Bari.

So great is the danger from these floating mines in the Adriatic that traffic between Italian and Austrian ports has been suspended and goods consigned to Austrian ports are being sent to the docks by Italian ship owners. The Austrians are continuing to place mines about Trieste, Plume and Pola, taking no precaution against their drifting.

Admiral Canavero, ex-Foreign Minister, expressed the opinion to-day that Italy's neutrality had been violated by the acts of Austria. He urges the government to demand the discontinuance of the use of mines.

Meanwhile, in spite of the efforts of Premier Salandra to prevent a crisis in the Ministry, the *Idea Nazionale*, the new Nationalist party organ, which was started yesterday, has reported that the Marquis di San Giuliano, the Foreign Minister, would resign had been announced, adds to-day that Signor Rubini, the Minister of the Treasury, also probably will retire from the Ministry.

It is said that the condition of the Marquis di San Giuliano improved suddenly on Thursday and that he is expected to be able to leave his bed within a short time.

The War Office to-day authorized the expenditure of \$10,000,000 for special winter equipment for the troops concentrated in the Alps.

SERVIANS TAKE HEIGHTS DOMINATING SARAJEVO

Germany Suggests Separation of Servia From Montenegro by Entering Novibazar

Special Cable Despatch to The Sun.

Rome, Oct. 3.—A despatch received from Sarajevo to-day after a sanguinary conflict have occupied the heights dominating Sarajevo, in Bosnia.

Despatches received here from Bosnia say Austrian troops are pouring into that country incessantly. The German General Staff has suggested to the Austrian staff that it centre its efforts toward the campaign against Serbia by using Austrian territory from the enemy, taking Belgrade and entering the capital of Novibazar, thus separating Servia from Montenegro.

OCCUPY VAFRESENITZA.

Servians and Montenegrins Claim Brilliant Victory.

London, Oct. 3.—Reuter's correspondent at Nish sends the following official statement issued by the Serbian War Office: "The Servians and Montenegrins troops have taken the heights dominating Sarajevo, in Bosnia. The Austrians have been driven back to the capital of Novibazar, thus separating Servia from Montenegro."

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TROOPS NEAR SARAJEVO.

Paris, Oct. 3.—The Cettigne correspondent of the Havas Agency writes: "The Serbian and Montenegrin troops have reached the mountains where are situated the first fortifications of Sarajevo, the capital of Bosnia."

Gen. Potiorek, the Austrian commander, asked for an exchange of prisoners, which was refused by the Montenegrins, who are now in a strong position. Montenegrins are in possession of the Austrians."

AUSTRIANS CLAIM GAINS.

Vienna, Oct. 3.—The following official statement was issued to-day by Field Marshal Potiorek: "For the last two days our troops in Serbia have been attacking the enemy. Up to the present time our offensive movements against the enemy, who is strongly fortified in positions further provided with barbed wire entanglements, are proceeding slowly, but favorably."

There has been started with energy movement to clear the regions in Bosnia which have been disturbed by Servian and Montenegrin troops and irregulars."

SERVIANS WRECK FORTS.

Take Large Quantities of Austrian Supplies to Belgrade.

Rome, Oct. 3.—A despatch from Nish to the Tribune says the Servians after passing the Save and occupying Semlin seized the Austrian batteries, ammunition and supplies, destroyed the forts and returned to Belgrade with immense quantities of booty.

WHITLOCK INTERCEDES.

U. S. Envoy Makes Plea to Germans to Spare Belgrade.

Amsterdam, Oct. 3.—A despatch from Amsterdam says Brand Whitlock, the American Minister to Belgium, has asked the Germans not to bombard historic buildings flying the Red Cross flag. The envoy here at Port Washington this morning annihilated an entire German regiment.

DUKE BREAKS PRISON RULES.

Micklenburg-Schwern Transferred and Placed Under Guard.

Special Cable Despatch to The Sun.

London, Oct. 3.—News has been received here that the Duke of Micklenburg-Schwern, who fled to the French army at Belle Isle, to which he had been transferred, and became very troublesome, was then transferred to the prison at Port Louis, where a guard was placed over him.

Czar and Kaiser to Lead Their Armies in the East

Continued from First Page.

extending nearly 200 miles, has begun with minor Russian successes in the Kielec region, north and east of Cracow. At various points along this front, particularly from Posen and Breslau, the Germans are attempting a vigorous offensive, numbering, with Austrian allies, about 750,000. Their purpose is to beat the Russian forces advancing from Warsaw so decisively that the Russians must again abandon East Prussia, retreat in Galicia and withdraw forces in Poland for the defence of Warsaw. The rumor persists that the Kaiser is in supreme command of these movements.

Greater Force Than in France.

The result of the battle of Cracow, now being waged, will determine, probably, whether or not Russia can break through the defenses of Silesia and Prussia and advance in overwhelming force toward Breslau and Berlin. The forces engaged along the front are greater than the forces in combat in northern France. While Russia threatens East Prussia and holds a large force of Germans in that region, and while she blocks German initiative in northern Poland, she is massing her finest troops along the Cracow battle line.

One report places the strength of the Russians advancing from three directions as 2,000,000. One great army is striking straight westward from Warsaw toward Breslau. Two armies are converging from the northeast, through Poland, and from the southeast, through Galicia, for the attack on Cracow.

The latter Russian force, victors of many engagements with the Austrians in Galicia, came in contact to-day with the Austro-German outposts west of the Donajew River, between Tarnow and Cracow and about thirty-five miles only east of Cracow. The fighting to-day was in the nature of a skirmish, the Russians driving back the Austro-German outposts. Fifty miles to the north, near Kielec, the Russian column, striking from the northeast, was fighting a German force attempting the offensive.

The combat has been violent, with a slight advantage to the Russians owing to their superior numbers and their numerous heavy field guns.

There is little news of the Russian army advancing directly from Warsaw toward Breslau, but it is assumed here that it will endeavor to break the German line of defence while the Russian armies to the south are engaging the Cracow defenders. Fast operations are being carried out hourly. The outcome of the struggle beginning to-day will be momentous, some insisting even that Germany will be forced to make peace if her armies are crushed along the Posen-Cracow line.

The official statement issued in Petrograd contains much detail, but is of rather guarded tone. It is said that the Russian army is continuing to retreat under the pressure of Russian attack. Their front has been broken at Mariampol. They have captured their positions near Przerow, west of Simno. Because of the manner in which they have been forced to fall back along storm-swept roads their forces offer good opportunities for flank attacks, which are being improved.

"Near Raskol the Germans tried to take us by surprise with a sudden counter attack. They charged with the bayonet at night, but we met them with a terrific fire and they were defeated, suffering heavy casualties and losing a large number of prisoners."

"The weather has been of decided advantage to our troops, who are accustomed to it, but it has been a handicap to the Germans. They have been unable to extricate themselves from the difficulties into which they got by advancing with the idea that they had to meet only ordinary field batteries. We had taken heavy artillery to oppose them and they suffered terribly when surprised by the fire of these big guns. When they turned to retreat they were under fire for many miles. The ground was left strewn with dead and dying."

"On the front further west our troops are in contact with those of the Germans. Heavy skirmishes have been fought in Kielec. These were the opening of a general engagement, to which the Germans are advancing in force in an attempt to drive us back along the Vistula and avert the peril that threatens Cracow."

"The Germans have advanced from Silesia and have fortified the Kalisz-Czestochowa line, which they hope will prove an effective barrier to our progress. By coming east of that line, however, and attempting to strike us along the Vistula, they have committed a strategic error that will benefit us. They plainly show the intention to take the offensive. This will be of advantage to us, as our defensive positions are of great strength. The Germans will endanger their line of communications by proceeding too far from their base of supplies."

"Our advance continues in Galicia, but is necessarily slow because of the heavy rains and the rugged country."

The Daily Telegraph's Petrograd correspondent sends details of Gen. Rennenkampf's recent successes in East Prussia.

"The Germans made obstinate efforts to regain possession of the village of Birkenfeld," he says. "The Russians had strongly entrenched themselves there. The scene was indescribable when the Germans attacked. The Russian guns moved down whole regiments."

"To check a wide German turning movement the Russians opened an attack from Mariampol, where they had entrenched themselves. The battle lasted two days. Around Mariampol the superior tactics of the Russians compelled the Germans to retire."

There is no fresh information as to the Russian advance in Hungary, which threatens Budapest. Reports persist that the Government of Austria is to be moved from Vienna if this advance is maintained.

BLAME AUSTRIANS.

Germans Accuse Them of Deserting at Krasnik.

Petrograd, Oct. 3.—A description of the province of Lublin, in Russian Poland, the scene of recent fighting between the Russian and Austrian forces, is given by a Russian writer, who has just been over the country in an automobile.

He found the Catholic Church at Niedoletza razed by mortar fire and the effects of volleys of rifle fire all about it. In this district, where the Austrians took the offensive, cruelly mounded graves, with rough posts marking them, are scattered over a large area.

Many of the Austrian officers made their headquarters at a hotel in Krasnik, including Count Szechenyi, the husband of Gladys Vanderbilt, Count Auerberg, Count Pototski and Baron Rothschild. The writer continues: "The engagement in Krasnik was accompanied by a characteristic incident which sheds new light on the mutual relationships and feelings of Austrians and Germans. Our strongest blow at the hostile position in Krasnik was inflicted on the Austrians near the village of Visoko, where our troops, notwithstanding the mighty resistance of the enemy, succeeded in cutting the Austrian front."

"Fearing a complete rout, the Austrians hastily retreated, leaving their killed Germans to the whims of fate. In turn these, were repulsed with heavy losses. The material losses included thirty-two guns, twelve machine guns, and a large number of the proud inscription, 'Pro gloria patri'."

"One German officer who was captured threw all the blame for the defeat on the Austrians. 'Our allies, the Austrians,' he said, 'invited us to help against the enemy, but they abandoned them, which we did, really and wholeheartedly, but when the German army will never forget this ungrateful act!'"

HUNGARIANS EXECUTED.

Every Tenth Man of Regiment Killed, Is Report.

London, Oct. 3.—The Petrograd correspondent of the Daily Telegraph reports that the Hungarian troops who opposed the Serbian advance at Novibazar on September 25 (Bel. time) were ordered by the commanding General to execute the execution of every tenth man as punishment for cowardice.

It is stated that more than 1,000 men in three Austro-Hungarian regiments were killed when they got drunk and fired at each other.

VIENNESE ARE FEARFUL OF RUSSIAN INVASION

Report of Removal of Austrian Capital Is Denied.

However.

Vienna, via Paris, Oct. 3.—Vienna despatches indicate that serious alarm is felt by the public over the possibility of a Russian invasion. This alarm has been intensified by the official closing of many Sunday excursion points near the capital because of the fortifications being erected at the higher points about the city.

A report that the Government treasury and archives are being transferred from Vienna is denied and appears to have been only a rumor based on the prevailing public uneasiness.

A delegation of prominent business men called on Count Stuerghk, the Austrian Premier, yesterday to urge the Government to take steps to prevent breadstuffs from being unfairly manipulated, as the present prices are working great hardships among the poor. Foodstuffs are increasing rapidly in price, vegetables, in particular, having doubled and tripled in cost. The delegation told the Premier that farmers, especially in Hungary, are holding their crops for higher prices.

Count Stuerghk said that the Government will do what it can to prevent further exploitation of the public.

INNSBRUCK MAY BE CAPITAL.

Special Cable Despatch to The Sun.

Rome, Oct. 3.—It is reported that the Austrian Government is urging Emperor Francis Joseph to transfer the court and Government to Prague or Salzburg, though in some official quarters their transfer to Innsbruck is favored.

This idea is urged on the ground that it would be easier to protect Innsbruck than either Prague or Salzburg.

CAN'T STARVE OUT GERMANY, HE SAYS

Vice-Chancellor Delbrueck Asserts Fatherland Is Well Prepared—No Moratorium.

PREDICTS GERMAN VICTORY

Berlin, via The Hague and London, Oct. 3.—Vice-Chancellor Klemens Delbrueck, who also is the Imperial Minister of the Interior, said to-day in an interview that Germany cannot be starved out and that her economic and financial position will, in his opinion, enable her to carry the war to a successful conclusion.

Mr. Delbrueck said that with between 3,000,000 and 4,000,000 men in the field unemployment was steadily decreasing and that the working of certain industries overtime on military orders and the transfer of workmen from idle departments of industry to those pressed for labor had resulted in bringing the unemployed in the country down to 6 or 7 per cent. of the country's workmen.

A moratorium undoubtedly will be averted, he said, through the thoroughly successful measures taken to put the finances and credit of industry on a war footing. In this respect, he said, Germany would have an advantage after the war over the other belligerents and some neutral countries, whose business life would be affected by the moratorium.

Says It Is No "Bluff."

Mr. Delbrueck said the German nation was determined to see the war through to a successful conclusion and that this was no "bluff," but was justified by the spirit and preparation of the country. In this connection he pointed to the demonstration by representatives of labor, agriculture, commerce, industry and trade on September 28.

There is now an abundance of media of circulation, he said, the currency crisis of the war having been entirely overcome. Special war banks, he said, are now giving necessary credit to small traders, mortgage holders and artisans who hitherto had been without adequate means of obtaining credit.

The Vice-Chancellor continued: "One serious consequence of the mobilization was the lack of employment, despite the fact that the call to the colors took from 5,000,000 to 6,000,000 able bodied men from the industrial field into the army. The illness was due to the fact that the curtailing of industries caused local unemployment."

"The provincial employment agencies then were merged in an imperial employment bureau, with the immediate result that the question of employment was solved by putting the man and job together. The dead centre passed, every day produces an improvement, because the representatives of the employers and the employees are working in patriotic cooperation in this bureau without regard to partisanship or creed."

"Labor and capital, and conservative, socialist and liberal trades unions have worked hand and hand in the interests of the fatherland with the imperial labor bureau. As an efficient intermediary the bureau has obtained harvest workers, who are gathering Germany's promising harvest. This is an instance showing how the job and the man have been brought together. The same is true in the mining and shipbuilding industries."

In the case of the textile industries the hours of labor have been shortened, the trade unions working most efficiently in this equalization. They have selected only men adapted for the kind of work assigned by the imperial labor bureau. Thus, of the 16,000 men sent to East Prussia at the opening of the war to labor on fortifications not a single man proved unfit."

Unemployment since the outbreak of the war has been steadily decreasing. At present all industries supplying the army are working to their utmost capacity. Our production of antitank guns is generally meeting the demands of Germany, Austria and several neutral countries. Other industries which are natural world monopolies, such as dyestuffs and potash, are necessary to neutral countries, who, I suppose, will buy them during the war."

Raw Materials Present Problem.

"There is a certain difficulty regarding raw materials. One of the first steps taken when the war began was to form an organization to institute a careful stock-taking and take over certain necessary materials, the same to be later worked out to the industries in need of them. We found the supplies greater than had been expected and certain articles have been obtained in considerable quantities in countries occupied by our armies."

"I do not doubt that neutral countries, in their own interest, will endeavor to create markets for their goods, particularly the United States for her cotton. Our population can be starved out as little as can our industries. Germany produces almost the whole of her own consumption of breadstuffs and meats. Certain deficiencies in fodder supplies we are prepared to counteract by a rational use of our large crops, particularly potatoes."

"In short, we watch affairs confidently and placidly. I have been a Minister nine years and have a perfect knowledge of the economic and moral powers of my country. I am persuaded that we are in a position to conduct this war, which has been forced upon us, to a successful conclusion also in an economic sense."

Mr. Delbrueck concluded by saying that Germany's centralized organization, economic as well as political, was responsible for the present general situation. It was necessary before taking any necessary steps in any industry, he said, only to consult a little group of interested persons, their decision being binding on the entire industry."

DUTCH REFUSE TO SEND ANY FOOD TO GERMANY

Netherlands Government Takes Strong Measures to Prevent Exportation.

Asquith Asserts German Monarch in 1912 Demanded British Neutrality Promise.

London, Oct. 3.—A despatch from The Hague shows that the Dutch Government is taking strong measures to prevent the exportation of foodstuffs from that country to Germany. The understanding is, between the United States and Great Britain, that the exportation of grain and other commodities from America in Dutch ships would not be interfered with, provided the Netherlands would guarantee that this conditional contraband would not reach Germany, has probably influenced the Netherlands Government in its present course, although there is a general anxiety of wheat in Holland.

Military officers have been sent to assist the customs officials to see that no foodstuffs cross the borders into the hands of various now at war. A complete belt of districts is under martial law and in these sections the embargo is being strictly enforced. Many country people living along the border who were exporting small quantities of grain on wagons to Germany have been arrested recently.

White bread is becoming a luxury in Holland, owing to the scarcity of wheat. At Dordrecht the bakers have announced that beginning on Monday they will produce nothing but rye bread.

A telegram received here from Copenhagen says that upon the representation of farmers the Danish Government has prohibited the exportation of all young horses.

LIEUT. MEASUREUR ON TRIAL.

French Officer Accused of Deserting in Face of foe.

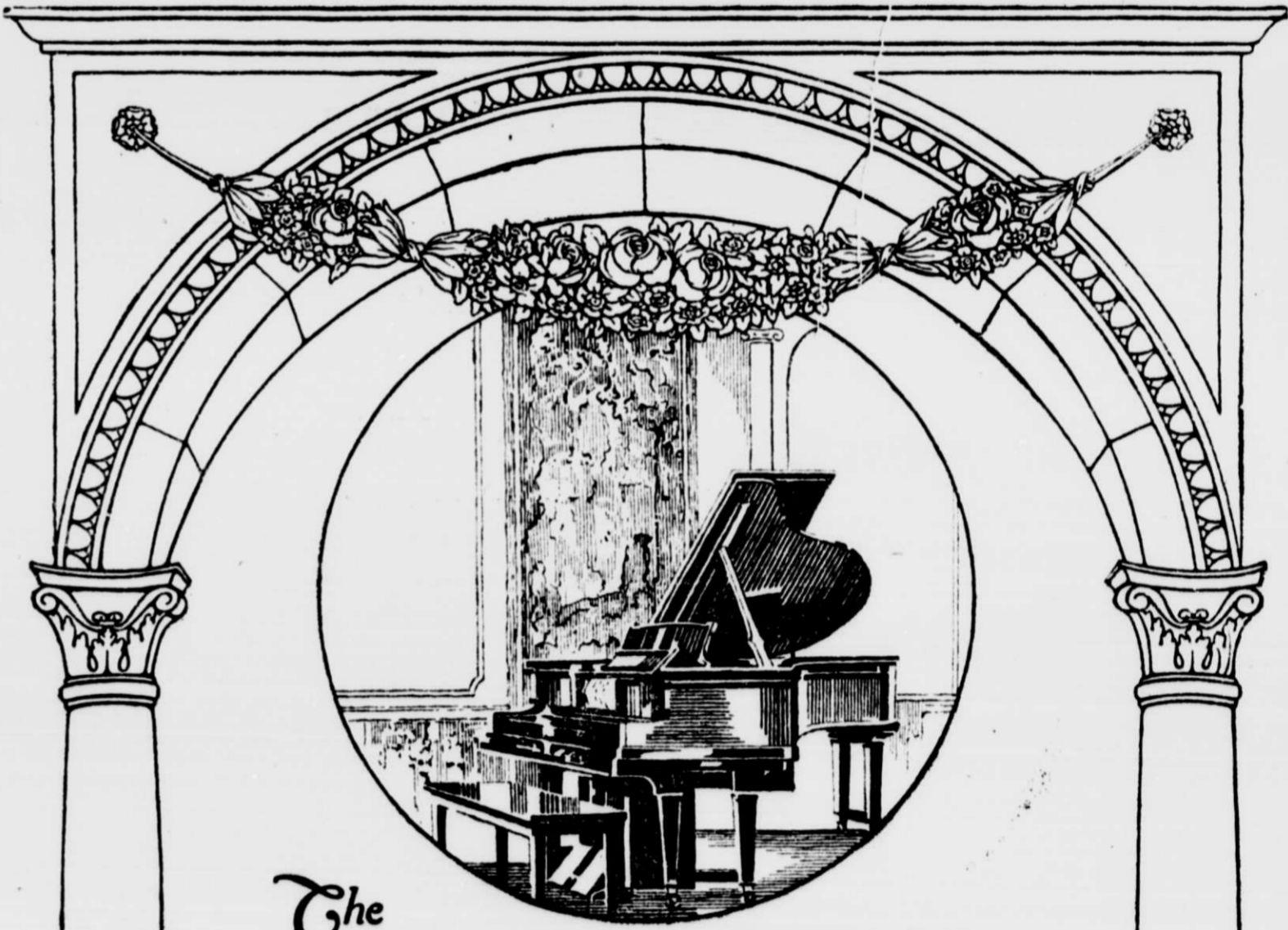
Special Cable Despatch to The Sun.

Paris, Oct. 3.—The court-martial of Lieut. Measureur began to-day. He is accused of desertion in face of the enemy.

It will be remembered that Lieut. Measureur was given a days rest after the battle of Dinant and returned to Paris without permission. Popular opinion is that he trusted his father's position as director of the Assistance Publique to protect him.

REPORTS CHOLERA IN GERMANY.

London, Oct. 3.—The *Norddeutscher Zeitung* is quoted in a Reuter's despatch from Rome as saying that cholera has appeared in Germany as well as in Austria, but that the situation is well in hand.



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